

Opening Statement of
Chairman Doug Lamborn
Wednesday, August 24th, 2011, at 9:00 a.m.
Grand Junction Civic Center
250 N 5th Street, Grand Junction, CO
Before the Energy and Mineral Resources Subcommittee
Oversight Hearing on:
“American Jobs and Energy Security: Domestic Oil Shale the Status of Research Regulation and Roadblocks”

Thank you everyone for being here today. I’m Congressman Doug Lamborn and I not only have the privilege of serving you all in my home state of Colorado, but I am also the Chairman of the House Natural Resources Subcommittee on Energy and Mineral Resources. Our subcommittee has broad jurisdiction over onshore and offshore energy production on public lands, much of which we have here in the West – and issues that affects every single one of us in from the state of Colorado.

Today we are here to discuss one of the most challenging, tantalizing, and promising sources of energy our country has to offer – oil shale. The United States is blessed with tremendous oil shale resources – nearly 75% of the world’s recoverable oil shale is estimated to be located in this country and we have appropriately been called the “Saudi Arabia of oil shale.” Most of that shale is located right here around us, where according to the U.S. Geological Survey, the Western United States may hold more than 1.5 trillion barrels of oil –enough to provide the United States with energy for the next 200 years.

Unfortunately, oil shale development has historically been characterized by “boom and bust” industrial surges due to inconsistent and combative federal policies regarding leasing and land development. As federal land contains about 80 percent of the known recoverable resources in the West, these policies are significantly hindering the research and development projects that could lead to commercial oil shale production.

In 2005, the House of Representatives passed the *Energy Policy Act of 2005* which directed the Department of Energy and the Bureau of Land Management to expand their work on oil shale. Accordingly, in 2007 six areas of land were leased for oil shale projects. However, since then, the Obama Administration has shown little support or interest in the advancement of these projects. Shortly after taking office they delayed RD&D leases, and offered a second round of leases with new, revised lease terms that were so uninviting to oil shale production that industry showed nearly no interest in procuring this valuable land. Although they did receive applications, the leases have yet to be issued. To add further burdens to the process, in February the Obama Administration announced they would be re-reviewing the current rules for commercial oil shale leasing, adding further delays to an already unreasonably prolonged process.

While oil shale development is still in its infancy in the United States, other countries such as Brazil, Estonia, Jordan, and China support substantial oil shale industries without nearly the amount of oil shale resources we have in our country. Instead of promoting American jobs and developing cutting edge clean technologies to utilize these resources and lead the way in global development of this resource, the Obama Administration has stonewalled its production, diverted resources that could be used for oil shale R&D, and continues to put up roadblocks for companies that want to utilize federal land for energy production. This is extremely concerning.

I am especially looking forward to our witnesses' thoughts on how we can successfully expand the oil shale industry while preserving a resource that we in the West work hard to conserve - water. Striking a balance between energy production and water management is, and continues to be an extremely important issue for our region. It is vital that we continue to safeguard this precious natural resource while at the same time creating jobs for our citizens and producing homegrown energy for all Americans.

Again, I want to thank our visitors for taking time out of your busy schedules to be with us today and look forward to hearing from our witnesses.